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**SECURITY INFORMATION**  
**PRINCIPAL FACTORS AFFECTING AREA STRATEGIC CONCEPTS**  
**FOR THE COLD WAR**

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Herewith are [REDACTED] comments on the topics listed in the T.S. 66360 Memorandum for All Division Chiefs, dated 20 February 1952.

(1) Major Points of Conflict between Soviet Bloc and "The West" in FE.

The general program of action pursued by Moscow, with and through Communist China, in seeking to extend and fasten the grip of international Communism and Russian imperialism over the Far East and the Pacific by illegal, subversive, and aggressive methods threatening the world structure of peaceful relations and security:

(a) China

1. Soviet violation of China's sovereignty and integrity through:

Having aided a Communist rebellion against the then universally recognized Chinese Nationalist Government of China;

Seeking to reduce China to a state of complete subservency to Moscow;

Soviet encroachments upon China's sovereignty and integrity in specific areas, including Manchuria, Sinkiang, railway, mining, and other spheres.

2. General and various violation or non-recognition by the USSR and by the Peiping regime of their obligations with respect to the basic rights and interests of foreign states and nationals in and relating to China. Virtual liquidation of West's position in China.

3. The alignment, use and participation of Communist China in furthering the expansion of international Communism and Russian imperialism in the Far East by illegal and aggressive means, including large-scale armed intervention in Korea.

4. Disagreement as to the respective rights of the Chinese National Government and the Chinese Communist regime to recognition as the government of China, including, as subsidiary questions:

The future status of Formosa;

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The future status of Tibet;

The future status of Hong Kong and Macao.

(b) Peripheral areas

1. The future status of Korea.
2. The future status of Indochina.
3. The future orientation, political and economic stability of Japan.
4. The geographic limits, political and economic orientation of Burma.
5. The stability and orientation of Thailand.
6. The stability and orientation of Malaya.
7. The stability and orientation of Philippines.
8. The stability and orientation of Indonesia.

(2) The Prevailing Condition which tends to Nurture and Improve Chinese Communist (Soviet) position with respect to Issues listed in (1) is the military, geographic, and political pre-eminence of Communist China. In a word, Communist China is in a position over the long term to force Japan to its knees on the basis of economic pressure, augmented by constant military threat in conjunction with the Soviet Union, and Communist China is in a position militarily to conquer Southeast Asia as far as the Kra Isthmus at any time it so desires. In support of this thesis, the following factors are detailed:

(a) China

1. Effectiveness with which Communist regime has consolidated governmental and military control of mainland China.
2. A disciplined experienced Chinese Communist Army (PLA) several million strong.
3. A major developed military and economic training and transshipment base in Manchuria.
4. The ever-growing military strength of Soviets in Siberia posing threat to U.N. forces in Korea and to Japan, especially Hokkaido.

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5. Effective coordination of Chinese Communist policy with USSR and cooperation between Peiping and USSR in implementation of Sino-Soviet Friendship Pact.

6. Degree of economic, military, and technical assistance from USSR apparently sufficient to meet China's needs.

7. Success of Communist regime in eliminating guerrilla forces, implementing police controls, persecuting foreigners, and eliminating middle class.

8. Corruption, weakness, lack of popular appeal or effective strength of Chinats on Taiwan.

9. Lack of any organizing force to lead and supply dissidents on mainland.

10. Fact that under British leadership most of Commonwealth and SEA nations have recognized Peiping regime.

**(b) Peripheral**

1. Rapid development under Communist sponsorship of militarily strong Communist regime in North Korea willing to initiate aggression against a weak South Korea and strong enough with Chinese "volunteer" and Soviet material aid to prevent full military victory of U.N. forces who came to support of South Korea.

2. Weakness, lack of leadership, and generally leftist idealism of new nationalist states to the south (especially India, Burma, Indonesia).

3. Tendency on part of Orientals, ideological and moral considerations aside, to take pride in demonstrations of power by Oriental forces.

4. Continuing conviction on part of native nationalists, particularly in Indochina, that "Western imperialism" is a worse and more immediate menace than Communism coupled with their lack of comprehension of the dictatorial and repressive practices of Communist imperialism.

5. Existence in SEA countries of Communist-led dissident groups (of varying degrees of strength and organization) to spearhead the disruptive attack phase of Communist rebellion aimed at creating chaos and then assuming political and military control.

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a. In Indochina, Ho Chi Minh's DRV with its powerful armies.

b. In Burma, the dissident Communists now trying to promote alliance with other dissident elements including the non-Communist but anti-Government Karens.

c. In Thailand, significant numbers of Vietnamese minority, Liberal Free Thais, liberals, and Communist-oriented overseas Chinese.

d. In Indonesia, various disgruntled groups ranging from Communists to bandits.

e. In the Philippines, the agrarian reformist Huks.

f. In Malaya the 3-5000 Chinese rebels.

6. A Japan about to sign a peace treaty and defense pact with the Allies, open to heckling and pressure in the economic and labor fields in particular.

(3) Conditions which Significantly Impede or Menace Soviet Program are few and consist mainly of our potential to control the off-shore island chain. Those concerning China are latent and cannot be employed to our advantage during the present defensive period of strategy. They are:

(a) China

1. Latent and growing popular hatred of police state methods and disillusionment with Communism. However, fear of punishment and absence of any alternative keep discontented groups inarticulate and complaisant.

2. Lack of adequate communications facilities in interior.

3. Scarcity of capital, capital goods, technical know-how, and equipment for rapid construction of effective Communist economic and social order.

4. Drain on resources and manpower occasioned by the Korean war.

5. Inhibition on invasion of Taiwan occasioned by U.S. designation of Seventh Fleet to prevent aggression either way.

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(b) Peripheral

1. Signing of defense treaties by U.S.-Philippines, U.S.-Australia, New Zealand, U.S.-Japan which represent a significant start toward regional defense for the Pacific under the U.N. similar to NATO.
2. Growing disenchantment of overseas Chinese communities in U.S. and SEA with Communist regime and action on their part to cut remittances, resist blackmail, possibly to organize to oppose the Communists.
3. U.S. military power manifest in Korea.
4. Ability of French Union Forces (increasingly supplied by U.S. military aid) to prevent Viet Minh victory unless the latter receives significant "volunteer" and material aid from China.
5. Strong pro-Western policy of the Government of Thailand.
6. Reluctance of important Karen elements to join the dissident Communists unless convinced there is no other solution to their fight with the Government of Burma (GOB).
7. Continuing anti-Communist and pro-GOB attitude of the bulk of Kachin hills people in Burma.
8. Success of the Philippine Army led by Magsaysay and supported by Quirino in reducing Huk potential and appeal.
9. Some evidences of anti-Communism on the part of the officially "neutral" Indonesian people.

(4) Principal Communist vulnerabilities in the Far East.

As indicated in (2) and (3) above, the factors favoring the Communist program far over-balance those impeding or menacing that program. The main vulnerability is economic. Communist China is to a large extent dependent on the Soviet Union for the tools of modern warfare. In the event Chinese Communist aggressive action and/or Western-inspired tactical action against them poses requirements for modern, military equipment beyond that which they can supply locally, they become automatically and immediately dependent on the Soviet Union. It is a question for economic intelligence experts to answer whether such demands can be met over a long period of time and what those demands might logically be. It is then a question whether this dependence might present a point of strain in Soviet-Chinese relations, and whether that demand would detract substantially from the Soviet

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Union's military potential applicable in the direction of Western Europe and if that decrease in potential were sufficient to cause the Soviet Union to modify, delay, or abandon its European military plans. Other vulnerabilities are:

(a) China

1. The fact that Taiwan remains an area of Chinese sovereignty to which the total anti-Communist Chinese community could rally; and is the logical base for conventional, as well as unconventional, operations against the Chinese mainland.

2. The semi-independent status of the Chinese Communist regime in relation to Moscow.

3. The sensitivity of the Chinese Communist leadership to any implication that they are not independent of Moscow, representative of the Chinese people, or capable of carrying out either their internal reform programs or their role of leadership of Communism in Asia.

4. The Communists' inability to clamp down the curtain around such a vast geographic area, i.e., other Asiatics (including Japanese), overseas Chinese and Formosan Chinese, and members of a number of border tribes can penetrate China if they have the will to do so.

5. The probability that the popularity and absolute control of the regime can be weakened appreciably in a continuing ratio by application of the following courses of action:

- a. naval and air blockade;
- b. cutting off of overseas remittances;
- c. sabotage of key communications facilities;
- d. concurrent Western covert support of emergent resistance elements.

6. The psychological vulnerabilities peculiar to a Sovietized state apply to China and should be increasingly exploited as capabilities develop. Among these are: (1) anxiety among the party elite members caused by the excessive surveillance and insistence on strict adherence to the party line; (2) monotony of official propaganda making the audience increasingly susceptible to any possible penetration of these channels.

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(b) Peripheral

1. The U.N. decision to resist Communist aggression in Korea with an aim toward eventual realization of the U.N. program for a united democratic Korea.

2. The fact that responsible Japanese leaders consider cooperation with the West the best course for the eventual realization of Japan's strategic objectives.

3. The fact that the countries of SEA, either in their own right or through a commonwealth-type mentor (France and the Associated States of Indochina, Britain and Malayan Federation and Singapore) and Nationalist China are members of the U.N. and subscribe to its principles. This constitutes a Communist vulnerability in that should Communist China instigate aggression against any of them, the issue would be referred to the U.N.

4. Existence of significant overseas Chinese communities open to Western, as well as to Chinese Communist, influence.

5. The fact that the business elements in peripheral countries find trade with the West of equal value to trade with mainland China.

(5) Overriding adverse factors which must first be solved prior to a successful prosecution of any psychological warfare program areas follows:

(a) China

1. The absence of a fully supported coherent overt U.S. program for the Far East.

2. Present status of recognition and non-recognition of Communist China among the Allied nations.

3. Corruption and inefficiency of the Nationalist regime in Taiwan must be eliminated prior to the successful use of this potential base for a strong Chinese anti-Communist program.

(b) Peripheral

1. Failure of the present ROK political regime to maintain a cooperative attitude towards the U.S./U.N. program in Korea.

2. Conflict in attitudes and objectives in Southeast Asia between the U.S., Britain, and France.

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(6) Major strategic factors which block the West's effort in Asia.

(a) China

1. Dominant Chinese Communist military power on the Asian mainland.
2. Relative weakness of Western military power in the area.
3. Fact that Western Powers must operate in the Far East on exterior lines.
4. Nonexistence of any viable resistance forces in China due to the success of the Communist suppression program and the absence of any visible potentially successful counter-invasion movement.
5. Lack of indigenous leadership and resources capable of effectively penetrating into mainland China.
6. The primary importance of China in the Soviet over-all scheme of conquest.

(b) Peripheral

1. The threat of a Communist-controlled North Korea to the strategic security of Japan.
2. Japan's economic dependence upon the raw materials and markets of China.
  - a. The growing resistance on the part of the sterling bloc against any material economic cooperation with Japan.
3. The contiguous geographical relationship of a politically and militarily weak Southeast Asia to a strong Communist China.
4. The lack of leadership and stability in Southeast Asia.
5. Growing lack of confidence by free Asia in the West's determination to guarantee their security.
6. The increasing military capabilities of the Soviets in Siberia and the Sakhalins which materially threaten U.S. defensive capabilities for the security of Japan.

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(6) Techniques for altering adverse factors. In view of the preponderance of adverse factors and in the absence of a global strategy calculated to relieve Communist pressures in the Far East, only a limited field of action is open to the Western Powers. It is by no means certain that any alteration in existing strategic policy will insure conditions prerequisite to the successful conduct of cold war operations in the area. In this connection, it is wise to consider that in the event a general war broke out in the Far East tomorrow, the U.S. and its Allies would be forced into an attitude of strategic defense in the entire Far East. It is difficult to see how the U.S. and its Western allies can contemplate a strategic offensive in the cold war the day prior to the possible outbreak of a general war.

Nevertheless, the following defensive and preparatory techniques are recommended:

(a) China

There must be developed outside China proper a Chinese rallying point to provide political and psychological leadership as well as a base for operations. The only such base is Taiwan. If Taiwan is to be used for these purposes, a thorough-going reform of its military and political institutions will have to be effected. Corruption and inefficiency will have to be eliminated. These reforms can only be effected through the intervention of the U.S. To effect the required results, a senior U.S. representative of the highest stature must be designated and given complete authority over MSA and all other official U.S. interests represented on Taiwan, permitting him to control the scope and pace of U.S. aid within statutory limits. Under the direction of this person, the U.S. would insist, as a quid pro quo, for each additional increment of military aid or economic assistance, on the assignment of competent professionally qualified and politically unfettered Chinese civilian and military executives to direct the use of such aid and assistance.

(b) Peripheral

1. Korea

The success of the U.N. "police" action in Korea as a deterrent to Communist aggression must not be dissipated in the event of an armistice. No armistice should be agreed to on any basis which would constitute either a loss of face to the democratic powers or which would weaken those powers in their ability to prevent renewed aggression in Korea. In the event of an armistice, covert operations should be continued designed to create and maintain a resistance movement in North Korea toward the ultimate end of reuniting Korea as a free, democratic state. On both the diplomatic and covert

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levels the reform of the present regime in South Korea should be considered of primary importance to the end that the ROK becomes capable not only of maintaining the integrity of South Korea but also of winning the confidence and support of all Koreans. Korea should, furthermore, be preserved as a base for U.S.-inspired covert operations designed to penetrate North China, Manchuria, and the Maritime Provinces of the USSR.

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3. Southeast Asia

The stridently nationalist and anti-colonialist states of Southeast Asia, each lacking internal stability and under varying degrees of disruptive pressure, constitute a power vacuum which Communist China is seeking to exploit.

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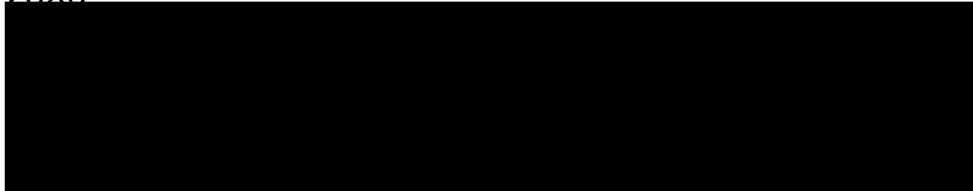
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Western policy is, and must remain, to preserve the territorial integrity and non-Communist orientation of these states. To this end, the United States must reach an effective understanding with the French (and the British) on joint cooperative efforts to reduce the present situation where conflict in aims and methods have prevented the strengthening of non-Communist nationalists in opposition to anti-French (British) and pro-Communist nationalists. Specifically, until the French agree to announce a date for their withdrawal from Indochina, there is little prospect that the natives of Indochina will place anti-Communism before anti-colonialism.

(7) Existing potential assets within the FE area which require reinforcement for maximum exploitation. This topic has been covered for the most part in (6) above. It should be emphasized, however, that increased attention should be given to rallying the Chinese outside China proper in opposition to the Chinese Communist regime and in support of a non-Communist Chinese program. Important groups are: the overseas Chinese communities in Southeast Asia, the overseas Chinese in the U.S., Hong Kong Chinese, Taiwanese Chinese, Chinese POW's in Korea (especially those who have indicated an unwillingness to be repatriated to Communist China) and selected exfiltrates and escapees from the mainland.

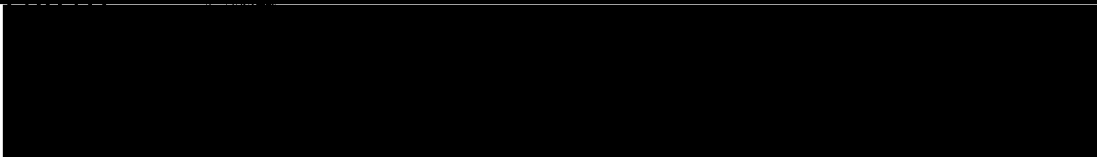
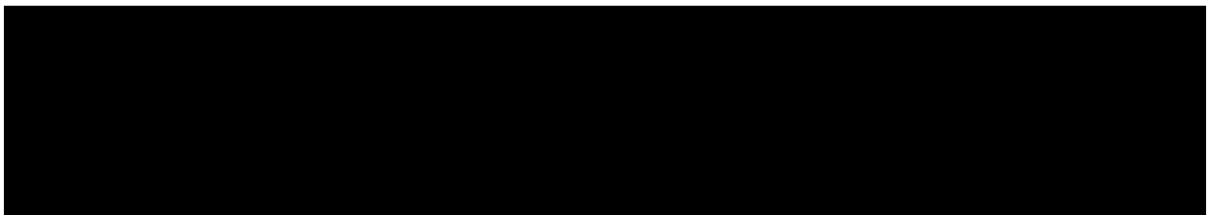
Other significant groups comprising potential assets are:

25X6 (a) Politically motivated guerrilla forces in North Korea;



(d) Anti-Communist governmental and military leaders in Southeast Asian countries;

25X1C (e) Anti-Communist leaders of minority groups in the strategically vital China border area.



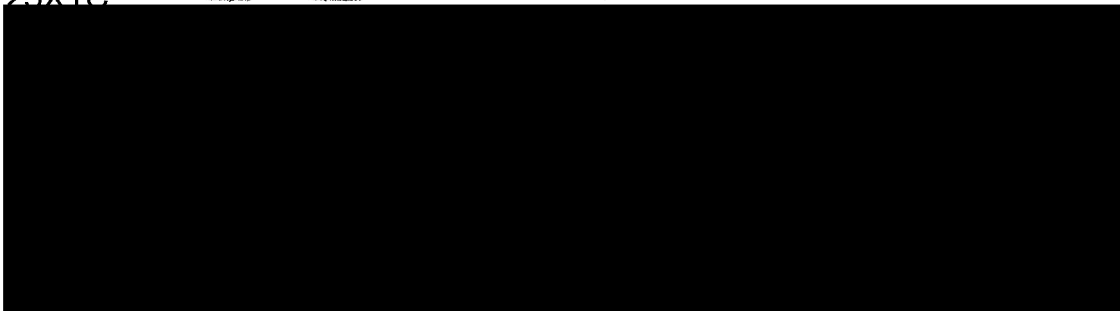
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25X1C (b) Peripheral



(9) The major external influence which might have a significant on the outcome of the U.S. policy of strategic defense is the attitude and capability of the Soviet Union. It is a matter of great concern to determine the Soviet military potential in the Far East and to what extent the Soviet Union can and is willing to augment the military potential of Communist China. It is also important to continually assess the degree of solidarity and agreement between Peiping and Moscow with a view to exploiting any signs of rivalry and disagreement.

Additional important external influences are:

(a) Developments in the Middle East will seriously affect the willingness of neutral Asian countries to closer cooperation with the Western Allies:

1. Increased Communist disruptions and/or control of Middle East countries, or continued neutrality and anti-Western attitudes of the Arab-bloc countries, will have an unfavorable influence.

2. The possible development of an Arab-bloc defensive organization, allied in agreement with NATO, would have a favorable influence.

(b) The position of the Indian Government will continue to influence the attitudes of SEA countries, specifically Indonesia and Burma, and there will be a tendency on the part of these countries to adhere to the Indian position.

(c) Indications of strength in Europe will favorably influence the Far East, but will have an adverse psychological effect if publicity indicates U.S. concern is limited solely to Europe to the exclusion of Asian problems.

(d) British, French, and Dutch policies in SEA will continue to exert a great deal of influence upon the area.

(10) Deception Measures

None.

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